

NEW YORK JOURNAL-  
AMERICAN

Circ.: e. 724,729  
S. 1,105,315

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Date: JAN 18 1952

### Washington Report:

## State Dept's Legal and Intelligence Expert

By FULTON LEWIS, JR.

WASHINGTON, Jan. 18.

**A**MONG the errors made by the State Department in ransoming the four American fliers from Hungary was gagging them following their rescue until Samuel E. Klaus had arrived from Washington to take charge.

He was described as a legal and intelligence expert of the State Department but when he got there he didn't do anything but pose with the fliers for photographers.

In describing Klaus now as its legal and intelligence expert the State Department is guilty of a short memory, because it wasn't very long ago that the Department was looking for a way to grease him back to private law practice. That was after he had gotten the Department's official propagandists in an awful jam when they were trying to duck the charges leveled by Sen. Joseph R. McCarthy.

The Wisconsin Senator had put in the Congressional Record what he termed an FBI report on State Department Reds. Acheson's puppets called the Senator a liar, in stating that nothing of the sort had ever been seen around the Department. As it turned out, the report was a compilation made by the Department's own legal and intelligence expert, Klaus, based on FBI summaries and other data. The incident didn't do the Department any good, naturally, and Klaus almost lost his job as a result.

**K**LAUS, however, has led a charmed life on the Government payroll. He had Fred Busbey, of Illinois, so mad at him a few years ago that the State De-

partment for a while, shuffled Klaus off to the Office of International Trade in the Department of Commerce.

This was the sanctuary of William Remington, now awaiting a second perjury trial, and a number of phony who were forging shipping permits so they could supply the Soviet Union with American machinery. Klaus never had much to say about these operations.

Later on, Klaus got in a jam when he tried to force an examination of all FBI information on Communism. He apparently wanted to dip in the secret FBI files, although nobody knew just why. He then tried to capture all State Department intelligence work, including jurisdiction over the Central Intelligence Agency and even some FBI operations.

On July 18, 1950, Senator Styles Bridges, of New Hampshire, in a Senate speech, accused a State Department official of blocking the entry into the United States of 1,000 German scientists. All of them, so far as is known, now work for the Russian Government. Bridges didn't name the official involved, but shortly after the speech Klaus ran pantingly to his office trying to find out whom the Senator had in mind.

Klaus is a pal of Max Lowenthal, the mental marvel who advises President Truman on such things as why the FBI should be investigated. He once worked for a law firm that employed ex-Communist Lee Pressman. He visited Russia in the early '40's, although I haven't been able to find out why.

There is nothing viable in his background to qualify him as the official gag, in Vienna, of the U. S. Government.

Circ.: e. 31,033

Page: APR 4 1952

Date: EDITORIAL

## Legion's Anti-Communist Fight Hurts Movie Producers Who 'Love' Reds

By FULTON LEWIS, JR.

WASHINGTON, April 4.—Eric Johnston, who vacillates between doing chores for the Truman administration and being boss of the Motion Picture Association of America, is taking Hollywood underground in its fight against Communists — if any.



LEWIS

Johnston, a few days ago, rallied a number of Hollywood movie moguls into a secret powwow for the purpose of putting the heat on the American Legion's national commander, Donald Wilson, who has encouraged the Legion's anti-Communist fight. That fight now includes the picketing of a Washington motion picture house for presenting a Hollywood opus loaded with left-wingers and worse. This is the Legion's first effort to picket a theater and has Johnston and his bosses gnawing on their fingernails.

One other reason for Johnston momentarily abandoning the fair deal for the job he gets paid for, is that some movie producers are getting slightly daft over the intensity of Howard Hughes' anti-Communist fight.

Hughes, boss of the huge RKO studio, is beginning to chip Communists off the payroll at an alarming rate. Right now an ex-employee of RKO, Paul Jarrico, is suing Hughes because he refused to allow Jarrico's name to appear on a film after Jarrico refused to answer the \$64 question about his alleged Communist affiliations in testimony before congressional investigators.

Hughes has taken the FBI and other government agencies and congressional committees at their word. He thinks Communists and Moscow stooges who have done everything except actually join the party, are dangerous to the nation's security. He has vowed to bounce them when he finds them in his shop, which is more than most of the other studios have done. In fact, it is almost unprecedented. Several of the notorious Hollywood ten were fired, but in some only. Actually, they were allowed to go on writing movie scripts, in some cases, by using the simple subterfuge of another name.

The Legion commander didn't knuckle under. In fact, the Legion is considering an expansion of its picketing activities, since this hits the producers who love the Reds and their playmates

right where it hurts—in the pocketbook.

THE JUSTICE DEPARTMENT has borrowed one of Maj. Gen. Harry Vaughan's deep freezes to store a hot potato tossed to it by the McCarran internal security subcommittee. It involves John P. Davies, who does Secretary of State Dean Acheson's thinking on Far Eastern affairs. Davies was recently cleared of security charges by the State department after being suspended along with Far Eastern Expert O. Edmund Clubb. Clubb quit after Acheson said he was clean as a whistle; but this was only half of the story. Acheson didn't mention that the State department's loyalty board had found Clubb a security risk, and that Acheson brought back a retired diplomat for the specific purpose of overruling that decision.

Davies, testifying before the McCarran subcommittee, denies that he ever wanted to get a string of Communists jobs in the Central Intelligence agency. A former employee of the C.I.A., Lyle Munson, a New York City publisher, testified otherwise. It is a pat example of lying by somebody before a congressional committee. So McCarran shipped the record to Justice, to see which one was playing fast and loose with the truth. That was several weeks ago. Munson would like to drop in on a grand jury and tell his story, but the Justice department, when asked about the case, hasn't done a thing except act embarrassed.

THE STATE DEPARTMENT now has four employees under investigation as loyalty suspects. The strange thing about it is that if the loyalty board should find against the four, it will make a total of 57 "turned up" as Communist sympathizers since Senator Joseph R. McCarthy first started his attack on the department. You'll recall that the senator said there were 57 questionable characters in the State department.

Recent executive session testimony before a Senate subcommittee revealed the facts concerning the 57. Conrad Snow, head of Acheson's loyalty board, had to make a number of embarrassing confessions on behalf of the secretary of state. It hurt. The loyalty review board says the Department of State has never fired anyone for disloyalty. Snow says the 57 were "turned up." When the secret testimony is made public, I think you'll find he means "turned out." Thus Snow and the State department will come clean with us and the loyalty review board. About time, huh?